

BEFORE THE
ILLINOIS COMMERCE COMMISSION

PUBLIC FORUM

CENTRAL ILLINOIS LIGHT COMPANY) DOCKET NO.
d/b/a AmerenCILCO) 07-0585

Proposed general increase in electric delivery service rates.

CENTRAL ILLINOIS PUBLIC SERVICE) DOCKET NO.
COMPANY d/b/a AmerenCIPS) 07-0586

Proposed general increase in
electric delivery service rates.

ILLINOIS POWER COMPANY d/b/a) DOCKET NO.
AmerenIP) 07-0587

Proposed general increase in
electric delivery service rates.

CENTRAL ILLINOIS LIGHT COMPANY) DOCKET NO.
d/b/a AmerenCILCO) 07-0588

Proposed general increase in gas
delivery service rates.

CENTRAL ILLINOIS PUBLIC SERVICE) DOCKET NO.
COMPANY d/b/a AmerenCIPS) 07-0589

Proposed general increase in gas delivery service rates.

ILLINOIS POWER COMPANY d/b/a) DOCKET NO.
AmerenIP) 07-0590

Proposed general increase in gas delivery service rates.

Marion, Illinois
Wednesday, February 6, 2008
7:00 p.m.

BEFORE: MR. ROBERT BENSKO, Chief Public Forum Officer

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

I N D E X

<u>SPEAKER</u>	<u>PAGE</u>
Mr. Craig Nelson	11
Rep. John Bradley	24
Mr. Larry Ivory	29
Ms. Maxine Snider	37
Mr. Art Frailey	40
Ms. Amy Paschedag	44
Mr. Mike Eberhart	48
Mr. Thomas Ellis	50
Ms. Ellie Dorchincez	50
Mr. Donald Walden	53
Mr. Rich Whitney	55
Mr. Michael Abba	61
Mr. Ed Streamas	62
Mr. Paul Hunsaker	63
Mr. Thomas Headd	65
Mr. Don Phillips	66
Mr. Tom McGuire	70
Ms. Millie Martin	74
Mr. Scott Doody	75
Mayor Evelyn Fuqua	83
Ms. Nancy Farris	89
Ms. Ernestine Brasher	92
Ms. Kendra Storme	95
Mr. Larry Milligan	98
Ms. Selena Hancock	101

1

2

4

5

6

7

8 SULLIVAN REPORTING COMPANY, by
Carla J. Boehl, Reporter
9 Ln. #084-002710

10

11

12

13

14

15

16

17

18

19

20

21

22

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22

PROCEEDINGS

HEARING OFFICER BENSKO: Public hearing Docket
Number 07-0585-0590, et al.

Good evening. My name is Robert
Bensko and I am the Chief Public Hearing Officer for
the Illinois Commerce Commission. I want to thank
you all for coming tonight. Seated next to me I have
a court reporter that will make a legal record of
your comments tonight. This is a legal proceeding.

The subject of this hearing is a
proposal to increase rates on the delivery portion of
the Ameren electric and natural gas utility business.
The public is only one part of the process of review
of the Company's rate proposal. A formal proceeding
is also being taken place in Springfield with filed
testimony and responses to that testimony.

Once the Company files its request
with the Commission, the case is assigned a Docket
Number like the one I read at the beginning and an
administrative law judge to hear that docket and all
arguments to the case.

Parties include the ICC staff,

1 accountants, financial analysts, engineers and
2 economists, joining in to offer their professional
3 point of view and evidence in testimony filed in the
4 case. After all initial proposals and responses have
5 been filed, the parties meet in person to
6 cross-examine witnesses on their sworn testimony.

7 It is just like a court of law. You
8 have a judge, administrative law judge, and you have
9 the attorneys for either side of the case. Then what
10 they do is they come up with a summary of what's
11 going to be proposed. Briefs or summaries of the
12 case positions follow, and finally that
13 administrative law judge develops a recommendation
14 for the full Commission.

15 Now, the Commission is made up of the
16 Commission Chairman and four Commissioners. The
17 Chairman and Commissioners are appointed by the
18 Governor and confirmed by the Senate. The Commission
19 has about six weeks to review all the testimony filed
20 in the case and arrive at a decision. An ICC
21 decision is called an Order, and it directs the
22 Company how to proceed through findings. A rate case

1 such as this one typically extends for a full
2 eleven-month period before a decision is rendered.
3 This case has to be voted on by September 30 of this
4 year.

5 A rate case is really a very thorough
6 review of the Company's financials. Commission
7 decisions -- after the Chairman and Commissioners
8 have come up with a final decision, that decision can
9 be challenged. It can be challenged first by a party
10 who may seek to re-hear that particular order, and if
11 that is denied, then the parties may choose to go to
12 the appellate court which is the next highest court
13 after the Commission.

14 This Marion public hearing is the
15 first in a series of six public hearings scheduled
16 around the Ameren Illinois service territory. The
17 next one will be this coming Monday in Decatur at
18 7:00 p.m. The first one was supposed to be the other
19 day in Decatur. I have been doing public hearings
20 since 1990, and that was the first public hearing I
21 ever had to cancel due to anything, and the weather
22 was pretty bad the other night.

1 Others are set for Wednesday, February
2 13 in Belleville; Tuesday, February 19 in Peoria;
3 Tuesday, February 26 in Quincy; and Thursday,
4 February 28 in Champaign. These hearings provide a
5 less formal way to address the Commission and
6 hopefully are more convenient for those in the
7 communities.

8 The reason that the ICC comes to you
9 tonight is because we don't want to have to have the
10 public come to Springfield and sit in the regular
11 hearings. We want to make it as simple a process as
12 possible. And the other thing, we want to make it as
13 comfortable a process as possible. We are coming
14 here to your home. We are coming here to your area.
15 We don't want you to be scared. What we want is we
16 want you to talk to us about what's before us.

17 Now, saying that, the only thing that
18 we can allow on the record is subject material that's
19 pertinent to this case and this case only. I run
20 these hearings very openly, and I urge anyone and
21 everyone to speak. That's why we are here tonight,
22 and that's why we are going to the other five places,

1 so that those people, like you, don't have to come to
2 us.

3 If you would be a party to the case,
4 you would have to hire yourself an attorney probably;
5 you would have to know the legal proceedings just
6 like in a regular court case. What we are trying to
7 do here tonight is we are trying to give you an
8 option of letting us have you tell us how you feel
9 about this.

10 After that, what the court reporter
11 does is she will make an accurate record of tonight's
12 proceedings. That accurate record will be placed in
13 the public record of this file. That record will be
14 made available to all the parties of the case in the
15 legal portion that I was talking about before the
16 Administrative Law Judge and the Chairman and
17 Commissioners. They are allowed to use that in any
18 way they feel.

19 I have to tell you a little bit about
20 myself tonight. I have no opinion in this case. I
21 am not allowed to. I am not allowed to give you any
22 comments of how I feel. I am just here for one thing

1 and one thing only, to take your testimony. It is
2 not going to be your testimony as Bob Bensko saw it
3 or my interpretation of what you said here tonight.
4 It is going to be your actual words recorded just
5 like in a court of law.

6 The first thing I am going to ask
7 tonight is I am going to ask the Company to come
8 forward and give a brief explanation about what they
9 have asked the Commission. Once they have done that,
10 then I will go to you. There is a microphone right
11 in the center of the room. I ask that you step up to
12 the microphone. At the table where you signed up to
13 speak tonight, there was some green cards. Those
14 green cards tell you exactly what I want you to do.
15 I want you to state your name, I want you to spell it
16 so that the court reporter has an accurate record,
17 and then give your testimony as to what you feel
18 about this case. It is pretty simple.

19 On the back of those cards -- and
20 anyone that didn't sign up to speak tonight can take
21 one of those cards, too -- I also made it simple for
22 you. You can go on the internet, go to our website,

1 and it tells you exactly how to do it on the back of
2 the card, plug in the case number which I put on that
3 card, and you can follow the case as it is being
4 handled in Springfield. So you know every step of
5 the way what's going on in the case.

6 So I just want you to all feel
7 comfortable tonight. I want you to speak to me
8 tonight. I don't want anybody to be afraid to come
9 up. These are your neighbors. It is not like you
10 are in Washington, D.C. and you are talking to a
11 crowd that you don't know. These are your neighbors.
12 You talk to them all the time. Talk to me the same
13 way. That's the reason that I am here tonight.

14 Now I would like to ask Craig
15 Nelson -- Craig is Vice President of Regulatory
16 Affairs and Financial Services from Ameren, and he is
17 going to come up here and he is going to do a
18 presentation and tell you why Ameren is asking for
19 this increase and do an explanation. At the end of
20 the official testimony, when you come up and tell me
21 what you want me to hear, I will close the record, I
22 will send the court reporter home, and then we will

1 have a question and answer period. You can ask the
2 Commission any questions you want to ask them. You
3 can ask the Company any questions you want to ask
4 them also.

5 If you have a billing or service
6 problem that hasn't been taken care of and you need
7 to talk to somebody about that tonight, Ameren is
8 going to tell you about some people that they have
9 outside the door. If it is something that you want
10 to bring it up, not to Ameren but to the Illinois
11 Commerce Commission, the gentleman that was standing
12 at the front door, his name is Randy Nehrt, Randy is
13 in charge of the Consumer Services Division of the
14 Illinois Commerce Commission. He, too, can help you
15 with any billing or service problem you might have
16 tonight. And then Ameren, too, will have people
17 available to you through their services tonight.

18 So, folks, I want you to feel as
19 comfortable as you probably can. I want you to come
20 up and speak to me tonight. There is two portions of
21 tonight's hearing, the portion that is officially on
22 the record and then the question and answer period.

1 So please save your questions and answers for after
2 the first portion.

3 Now, I ask Mr. Nelson to come up and
4 do his presentation.

5 MR. NELSON: Good evening. Thank you,
6 Mr. Bensko, for that introduction. Feed back okay?
7 And thank you for arranging these public forums. We
8 welcome the opportunity to explain to you our rate
9 cases that we filed last November.

10 Again, my name is Craig Nelson. I
11 have worked for the Ameren Illinois utilities for
12 about 28 years now, for more than 28 years, and let's
13 go on to the first slide. Well, before I go on,
14 again, there are co-workers -- our customer service
15 co-workers will be in the lobby. And at the break or
16 after the session they can help you with specific
17 service-related issues, billing issues and so on, and
18 I have some co-workers that will join me on the panel
19 for the Q and A session as well.

20 This is our commitment to you, and we
21 take this very seriously. It is our goal to provide
22 cost-efficient, reliable and safe service to our

1 customers and at the same time attempt to achieve a
2 high level of customer satisfaction. And the reason
3 we are here tonight is fairly simple. We would like
4 to talk to you about our rate cases, explain why we
5 need an overall increase in rates, and listen to your
6 comments and answer your questions.

7 This is a slide of our service
8 territory, and it depicts our three Illinois
9 utilities. You can see CILCO in red, in the green
10 IP, and then CIPS in the yellow and gold. We have
11 been around for a long time, up about a hundred years
12 for each company. We serve 85 out of 102 counties in
13 Illinois. We serve 1.2 million electric customers,
14 840,000 gas customers.

15 And there is something that's
16 important that you should know about our companies.
17 Our three utilities don't own any power plants. We
18 don't own any natural gas production wells. So for
19 the electricity and gas that you use, we have to
20 purchase that from the market, and we only purchase
21 the amount that you use. And we don't make any
22 profit on those purchases. Whatever we pay for the

1 electricity and gas, that's the cost that we put on
2 your bill.

3 There is no profit on those purchases.
4 We collect from the customers only what we pay.
5 Instead, our profit comes from the delivery component
6 of the bill, the investment we make in delivery
7 services. I am going to show you a slide that will
8 help illustrate that in just a moment.

9 Let's talk a little bit now about the
10 legislative process that went on this past summer and
11 its impact on us and its relationship with these rate
12 cases. We reached an agreement with lawmakers to
13 provide a significant amount of rate relief this past
14 summer, and that was enacted into law. And it is
15 significant. It is \$488 million in credits and other
16 target programs for our customers. That 488 million
17 relates to power purchases, not delivery services
18 that we are here talking about tonight.

19 We continue to provide the full amount
20 of those credits in those other programs, and in fact
21 those credits will help soften the impact of these
22 delivery service increases. We did inform lawmakers

1 this past summer that we intended to file the
2 delivery service rate cases in the midst of the
3 legislative process. We also made a pledge to
4 lawmakers that if there was a delivery service rate
5 increase, we would keep it in the single digit range
6 for the electric residential customers.

7 That's in fact what we did. For
8 Illinois Power we capped the increase at eight and a
9 half percent for that electric residential customer
10 segment. We kept our word. We did exactly what we
11 said we would do.

12 To help understand what this rate case
13 is about, we have developed a dollar slide that shows
14 you where each dollar goes that we collect from our
15 customers. So let's go through it in three
16 components. We spend 42 cents of each dollar we
17 collect purchasing electricity for customers. We
18 spend 22 cents purchasing natural gas for customers.

19 Let's pause for a moment there.
20 Remember what I said earlier, and I got a chuckle,
21 that we don't make any profit on that. We don't.
22 Whatever we pay for electricity, whatever we pay for

1 gas, that's what goes on customers' bills. It's as
2 simple as that. You can confirm that with the
3 Illinois Commerce Commission.

4 Before I go on, remember I talked
5 about the 488 million of rate relief and credits.
6 That relates to the electricity purchased on our
7 dollar bill. That's what those credits are being
8 applied to. That was what the legislation was about.

9 So now let's go to the delivery
10 component. And embedded in our rate case is a
11 request to get this 36 cents for providing delivery
12 services, for delivering electricity and gas, and
13 that's where we make our profit, and those are the
14 costs we are trying to recover for delivering
15 electricity and gas to you.

16 I do want you to know that the new law
17 that was enacted does have energy efficiency measures
18 for the electric side that will help you lower your
19 electric bill. And as part of this case we proposed
20 gas energy efficiency measures as well to help you
21 lower your gas bill.

22 It is only fair for you to ask -- I am

1 sorry, before I -- clearly, when we ask for an
2 increase -- I think we got this in the wrong order.
3 Let me go through it this way. When we ask for an
4 increase, clearly there is an impact on your bill.
5 And, in fact, the increase we asked was for \$247
6 million in revenue. That's about a seven percent
7 increase in our revenues. A seven percent increase
8 is what we asked for. Clearly, that impacts your
9 bill. And so what we have got is two slides now that
10 explain what the impact would be for a typical
11 residential customer. And we know no one is typical,
12 and we know that monthly usage varies month to month.
13 So for this particular situation we picked an average
14 monthly adjustment for a typical residential electric
15 and natural gas customer, a combination customer, and
16 let's look at the AmerenCIPS increase. And we are
17 requesting -- if the ICC approved the full amount of
18 the increase, the monthly increase for this customer
19 would be \$4.21 on the electric portion of the bill
20 and \$5.42 on the gas portion of the bill.

21 Now let's go to another scenario, and
22 this is for an all electric customer. Again, it's a

1 typical all electric using 1500 kwh, kilowatt hours,
2 per month, and again not everyone it is typical and
3 monthly usage will vary. But the increase we
4 requested is \$5.25 per month.

5 It is only fair for you to ask why
6 these increases are necessary. Well, the first
7 reason is it is necessary to recover our actual
8 costs. What we have included in this rate case are
9 actual 2006 operating costs. Those costs have
10 increased significantly since the last time we filed
11 a delivery service rate case. The increase is
12 necessary to enhance reliability and our performance.
13 I will talk more about that later.

14 Our reliability has improved from that
15 2004 to 2006 time period and we want that trend to
16 continue. An increase is necessary so we can
17 continue investing in our electric and gas delivery
18 systems. We have made significant investments in the
19 past few years and hope to invest even more in order
20 to improve reliability. An increase is necessary so
21 we can lower our costs of borrowing money, and that
22 will help lower future rate increases.

1 And, finally, an increase is necessary
2 to earn a fair return on investment. And I will talk
3 more about that later. The problem is the current
4 rates are not adequate to do what I described here.

5 A little bit more background on why
6 necessary, our costs have increased in the past few
7 years. We are spending more on tree trimming. We
8 are spending more on reliability projects. And then
9 we have got some examples up here, and most of these
10 are the essential materials that we use to build our
11 gas delivery system, our electric system, or make
12 repairs to those systems. And it shows you the price
13 increase that we paid from 2004 when we did the last
14 electric rate increase to the costs we have included
15 in this rate case, our actual 2006 costs.

16 And you just glance up there. Our
17 transformers are up 60 percent, gas pipe 45, diesel
18 fuel up 30, wire and conductor both up 30, and
19 utility poles up 10 percent. And this is not
20 insignificant. We buy a lot of these poles. We
21 spend -- just to give you a few facts, diesel fuel
22 1.6 million gallons a year and it is up 30 percent.

1 Natural gas pipe, we lay about 250 miles of pipe a
2 year. And then overhead wire/underground cable, 1600
3 miles of that a year. So significant cost increases
4 for us, and we are trying to recover those costs.

5 Here is another reason that we have
6 asked for a cost increase, and this is something
7 that's good for us and something that's good for you,
8 the customers. Moody's Investor Service is a bond
9 rating agency. You may have heard of them. You may
10 have also heard of Standard and Poor's. And their
11 bond ratings are very important to us, utilities, we
12 utilities and to our customers, because when they
13 give us a low bond rating, it increases our costs of
14 borrowing and when we buy goods and services they
15 cost more. Moody's has given us a junk bond rating.
16 It is below investment grade. And we are hoping with
17 this rate case to get out of that junk bond level and
18 back to investment grade.

19 This is what Moody's is concerned
20 about, if you look at the green highlights. They are
21 explaining why we are below investment grade, all
22 three utilities rated below investment grade. They

1 are concerned about the potential for continued
2 political and regulatory uncertainty, and they are
3 concerned about this distribution rate case, that
4 they thought we would be filing, could be negatively
5 affected by the controversy.

6 So Moody's Investment Service and
7 Standard and Poor's are taking a "wait and see"
8 attitude. They are waiting to see if we get fair
9 treatment and our investors earn a fair return before
10 they return us to investment grade. And on the
11 subject of fair return, that is very important for
12 bond ratings.

13 The Ameren Illinois utilities have not
14 been earning their authorized return on rate base for
15 the past few years. It is 8.2 percent. We are
16 earning well below that. In fact, the recently
17 announced earnings guide for investors projected with
18 our return in 2008 would be about five percent, well
19 below the authorized. And when you think about it,
20 the five percent we talked about is about what you
21 would get at a bank on a certificate of deposit, a
22 CD. And the bank CD is essentially risk free because

1 of the federal insurance. The trouble is investors
2 do not see our utilities as risk free. They see the
3 business risk, the political risk, the regulatory
4 risk, and they require a higher return, a fair
5 return.

6 And when I say a fair return, what we
7 are asking for is a return that's similar to what
8 other utilities are earning so that we can get our
9 bonds back to investment grade, so that we can lower
10 our interest costs, so that we can keep down future
11 rate increases.

12 And before going to customer benefits,
13 one more thought on a fair return. Our current rates
14 are not adequate to give us that fair return, and it
15 is not a sustainable situation. It is not good for
16 our companies, and it is not good for you, our
17 customers. Because if we are going to obtain
18 financing to build our infrastructure, to improve
19 reliability, we have got to go back to the market and
20 borrow money. And lenders are going to want to lend
21 to companies that are investment grade, not to
22 companies that are junk bond status. So trying to

1 get back to investment grade so we can keep improving
2 the system.

3 There are benefits to customers with
4 these rate increases. I talked about enhancing
5 reliability. In simple terms we are trying to reduce
6 the number of outages and, when we have outages,
7 shorten them for customers. We are trying to improve
8 customer service. As I talked about, we are trying
9 to make improvements to the delivery systems. We are
10 trying to keep pace with our customers'
11 ever-increasing demand for electricity that's growing
12 year by year for decades. And as I talked about, we
13 are trying to help lower future rate increases by
14 restoring the bonds back to investment grade and
15 lowering our cost of interest.

16 So that's about it, folks. We do have
17 some of my co-workers to help you with your billing
18 issues. Thank you for this opportunity to be here
19 tonight. We will be ready to answer questions for
20 you a little bit later. And then remember our
21 commitment to provide cost-efficient, safe and
22 reliable service, and provide you a high level of

1 customer satisfaction.

2 HEARING OFFICER BENSKO: Thank you, Mr. Nelson.
3 Right now I am going to call upon -- the Illinois
4 Commerce Commission decided to do these public
5 hearings but where we hold them, you know, is usually
6 up to me. I am the one that decides where I am
7 going, what I am going to do and things like that. I
8 try to balance that where people only have at the
9 most probably a 45-minute drive.

10 But the reason that I am here tonight
11 is because somebody came and specifically asked for
12 this, said, "I want you to come to my community. I
13 want you to hear my people speak," and that's your
14 State Representative John Bradley. The
15 Representative talked to the Staff of the Illinois
16 Commerce Commission and requested that we hold a
17 public hearing here. We are more than delighted to
18 hold it here. The only mistake that was made is I
19 kind of picked the wrong venue, one that wasn't quite
20 big enough for tonight's event.

21 So right now I am going to ask the
22 senator to step up to the microphone and say a few

1 words, and I want to thank him for -- Representative,
2 sorry, for being here tonight.

3 And I want to also recognize that
4 State Senator Forby's staff is here tonight and I
5 want to recognize that they, too, are here to listen
6 to your comments.

7 REPRESENTATIVE BRADLEY: I have got a box of
8 petitions and testimony which I am going to be
9 presenting to the Illinois Commerce Commission, and I
10 ask that this be made an official part of the record.

11 I appreciate the opportunity to be
12 here tonight. I am humbled by the turnout and the
13 folks here tonight that are here to express their
14 concerns about what's happening. I want to thank the
15 Illinois Commerce Commission for being here tonight.

16 I have had the privilege of serving in
17 the legislature for five years. Before that I think
18 most of you know that I practiced law. And what I
19 have just heard is the weakest case I have ever
20 heard, and if I were the judge and you were the
21 judge, not only would we dismiss the case but we
22 would ask for sanctions.

1 On August 28 Governor Blagojevich
2 signed a rate relief package which provided a billion
3 dollars of relief for the people of the state of
4 Illinois. Ameren only contributed \$150 million to
5 that rate relief package. \$800 million of that was
6 from Exelon. So \$300 million of rate relief came
7 from Chicago to downstate Illinois because Ameren
8 didn't do their part. \$50 million came from Dynegy
9 and Midwest Generation because Ameren didn't do their
10 part. They put in \$150 million of rate relief.

11 Within a few days of that, a few
12 weeks, they came back now and want \$247 million rate
13 increases. That's bad faith. That is bad faith.
14 That is not the spirit of what we did. That is not
15 the intent of what we did. We are now informed of a
16 \$247 million increase within four weeks or five weeks
17 of a billion dollar rate settlement, and it is
18 unconscionable. I have looked at these numbers
19 preliminarily. I have looked at these numbers. And
20 they have sufficient resources currently to provide
21 for infrastructure.

22 This is about profits. This is about

1 increasing the bottom line. This is about return on
2 investment. It has nothing to do with
3 infrastructure. How many of you have built a home or
4 had to have an electric pole put in? They are
5 passing the costs on already, folks. The cost of a
6 pole now is a lot more expensive than it was two
7 years ago. The cost of putting in a transformer box
8 is a lot more expensive than it was two years ago.
9 You can't raise the price of the individual items and
10 then turn around and say that's justification when
11 you have already passed it on to consumers, to ask
12 for more in terms of rates.

13 In addition to that, in addition to
14 that, they are asking for something called
15 decoupling. And basically what that is, you pay more
16 whether you use more or not. That's unconscionable.
17 The last I checked we lived in America, and when you
18 live in America, you pay for what you get and you get
19 what you pay for. That's the American way.

20 And so people that are paying their
21 bills are supposed to now subsidize the Company
22 that's making \$600 million before the rate freeze was

1 lifted. And you can't tell me that you need another
2 \$247 million. If there is a million customers in the
3 Ameren service territory, which they say there are, a
4 million customers, that's \$247 per customer per year.
5 That's over \$20 a month additional to what we are
6 already supplementing. The Company says they are
7 suffering; they need to come to the streets of
8 southern Illinois and see the suffering there.

9 They say that they are worried about
10 their junk bond status, and the reason is because
11 Moody's says that there is a continued political and
12 regulatory uncertainty. Let me tell you something,
13 when you keep coming back and asking for hundreds of
14 millions of dollars from the people of the state of
15 Illinois, there is going to be political uncertainty.
16 There is going to be regulatory uncertainty.

17 I am asking, I am demanding, the
18 Illinois Commerce Commission to reject this rate
19 increase. I demand that it be rejected. And
20 whatever sanctions are available, I would ask that
21 they be imposed upon these utilities companies and
22 stop this before it gets any further. Stop this

1 before it goes any further.

2 The numbers that they put up on this
3 screen mean nothing to me. The only number that
4 means anything to me is a rate rejection, and that
5 number is zero. And that's the number that we should
6 ask for. That's the number that the people of
7 southern Illinois deserve, and that's the number that
8 we are demanding take place. Enough is enough. This
9 is bad faith. You don't come back when you pay \$150
10 million and ask for 247 and tell people it is a good
11 deal for them.

12 Thank you very much.

13 HEARING OFFICER BENSKO: Thank you,
14 Representative.

15 Folks, don't be nervous tonight. Step
16 up to the microphone and speak. You heard your
17 representative speak. Now it is time for you people
18 to speak, too.

19 Right now I would like to call Larry
20 Ivory. Larry is the Illinois State Black Chamber of
21 Commerce president and Larry is going to give his
22 opinion on tonight's hearing. Larry, you need to

1 come to the center of the room. Thank you.

2 Remember, folks, when you come up, I need you to
3 state your name and spell it so that the court
4 reporter has an accurate record.

5 MR. IVORY: Name is Larry Ivory, last name is
6 I-V-O-R-Y. You know, I listened very carefully, and
7 we all have a vested interest in making America
8 stronger and better. But we also have a vested
9 interest in making Illinois a more attractive
10 destination for business, for people and for everyone
11 else. And right now throughout the company, I serve
12 on the board of the National Black Chamber of
13 Commerce all across the country. We have been having
14 this incredible debate about energy, and we know that
15 it is a very complicated, very serious debate about
16 what happens to our money when you already have not
17 enough.

18 But at the same time we also recognize
19 that he live in a capitalistic system and a free
20 enterprise which made America great. But at the same
21 time I think we have to be able to step back and make
22 what I consider to be fundamentally sound business

1 decisions that is not only good short term, but maybe
2 if it is just for the short term but it doesn't
3 answer the long term issue that we face today, it
4 maybe is a band aid on a very serious problem.

5 And I know when you talk about energy,
6 it is very dear to you. It is important to you. I
7 understand the pain of it. But I guess what I would
8 say to you is this, you know, when I was in the
9 investment banking arena, I say spent a lot of time
10 talking to my clients, clients who were elderly who
11 were looking for a way to maintain their standard of
12 living, and they were trying to find, as the interest
13 rates were dropping and the banking rates were down,
14 where CD rates were three and half percent and pretty
15 low, they were trying to find places where they could
16 invest money, whether that would be in the bond
17 market, whether that was in other vehicles, municipal
18 bonds. But a lot of places where my clients invested
19 their money that they relied upon me to invest were
20 in utility companies. And obviously utility
21 companies where, for the most part, had been by the
22 investment arena had been considered to be a place to

1 put money that was reasonably safe for a specific
2 rate of return that you could get over a long period
3 of time.

4 Now, my clients relied upon that
5 because it meant something to them because they had
6 to maintain their standard of living. And what we
7 found is that the places where we were having
8 problems were where we had utility companies where we
9 had to quickly and rapidly move them out of those
10 companies where the bond ratings had been dropped to
11 junk bond status. Because what happens there,
12 obviously to protect my clients' interests, I had to
13 move those clients out of that stock to some place
14 else to where they could continue to have the value
15 of that portfolio and still maintain that attractive
16 interest rate that they wanted to do.

17 But when you have an environment that
18 is considered to be hostile where regulatory sense
19 doesn't make any sense any longer, what you find is
20 that those bonds and that investment goes down and
21 those client are impacted if they don't move quick
22 enough.

1 Now, what I am saying is that as we
2 take a look at this very defining moment on the
3 energy, and believe me, we are going to deal with
4 this issue not just today, we will deal with it later
5 on, because affordable, reliable and efficient energy
6 is something that we all want. We all remember the
7 rolling blackouts in California. We have been lucky
8 enough in the Midwest to be fortunate enough to where
9 we haven't had those serious problems, but I can tell
10 you those problems still exist. If we only act on
11 emotions, we are not acting on good, sound, physical
12 and capitalist business sense in my opinion.

13 So I would say when you talk about
14 energy companies, and I think it is incumbent upon us
15 to really understand what the real current situation
16 is and not be lost in the conversation of the
17 politics behind it, but be lost in what is in the
18 best interest short term and long term. And if we
19 continue on a path where we continue to freeze rates
20 and we continue to have utilities who get downgraded,
21 I believe that we create a problem that becomes much
22 bigger sometime later on.

1 Now, some of us here today, you know
2 what junk bond status means. And I understand it; I
3 have been an investment banker for 25 years. I
4 understand what it means. I don't need a lesson in
5 that. I understand that. I understand also that
6 constituents like you and me deserve what I consider
7 to be a fair energy package that is good for
8 everyone.

9 One of the things that we have to take
10 a look at, and I challenge the utility companies to
11 do, is that consumption of energy has increased
12 significantly when you think in terms of how much you
13 spend energy, the plasma TVs. I have three TVs in my
14 house, and I keep them on most of the time. Well,
15 unfortunately, I have to become much smarter about
16 how I spend that energy. Because if I only have a
17 certain amount of money and energy, I can't afford to
18 just not take a serious look at what I can do to make
19 it better. I challenge our friends and our people
20 who run Ameren and run other utility companies that
21 they must do a better job at education. That
22 education has to become the cornerstone of making

1 sure that all of us have a good understanding of
2 energy and how to use it more appropriately.

3 Now, I know that sitting here today,
4 talking about this subject, I'm trying to articulate
5 to the best of my ability why I think the long term
6 strategy here has to be a strategy that makes this
7 business sense long term, not just short term.
8 Because, see, if we talk about we are not going to
9 ever raise energy costs or raise rates, you know, we
10 live in an environment where we understand that costs
11 are going up. And that's reality. I go to the gas
12 pump; I pay more for energy. I pay more for gas.
13 You pay it; everyone pays it. The Company should pay
14 it also.

15 What I would not like to see happen
16 long term in this country, it would be that we get to
17 a point where our philosophy makes it unattractive
18 for energy companies and for anyone to decide to do
19 business in our area. And I believe that long term
20 impact may be much more negative and we will be
21 dealing with it much later on.

22 So what I would caution us to do is

1 really take a look at what does affordable and
2 reliable and efficient energy mean. When we talk
3 about efficient energy and affordable energy, I think
4 it is very important that we reinvest back into those
5 things that allow us a chance, alternative fuel
6 sources and other things.

7 I know that this is not a very
8 appropriate comment today that I am going to make to
9 you. I understand that. I understand that.

10 HEARING OFFICER BENSKO: Folks, listen to me.
11 Each one of you that is going to be allowed to come
12 up here and speak tonight, I have no idea who you
13 are. But I do know one thing about it. When you go
14 up there and speak, it is my job to respect whatever
15 opinion you are, you do and you have. I am asking
16 you, afford that same respect that you would want
17 when you step up to that microphone as anybody. You
18 might not agree with those people but afford them
19 that.

20 MR. IVORY: Thank you. And again I am going to
21 wrap up. I do really understand this is a very
22 difficult time for people to make decisions like

1 this. But like the hold saying "pay me now or pay me
2 later," I really fundamentally believe, based on what
3 I understand about the markets and understand about
4 the utility companies, that if we don't make a
5 concentrated effort to really understand the issue
6 without making it all emotional, then later on, five
7 or six years from now, we are going to be dealing
8 with a different issue and a different set of
9 problems that you are also going to be very angry
10 about.

11 So I caution us to make a sound
12 business decision, get informed, get more
13 information, and make the right decision that I
14 believe is best for not only yourself but also for
15 everyone else. Thank you very much.

16 HEARING OFFICER BENSKO: Thank you. I have
17 before me approximately 45 people that are going to
18 need to speak. If we are going to get this done and
19 let everybody speak that needs to speak, we are going
20 to have to hurry this up just a little bit, okay. So
21 I am not saying that I don't want you to speak. What
22 I am saying is get a little bit more succinct and let

1 us here what you have to say.

2 Maxine Snider. And if I butcher your
3 name, beat me up after the meeting, not during the
4 meeting.

5 MS. SNIDER: I am going to speak this way so I
6 can talk to you all and I can talk to you, too. And
7 I first of all want to say, Mr. Bensko, thank you so
8 much for being here. Representative Bradley, thank
9 you so much for this opportunity.

10 HEARING OFFICER BENSKO: Ma'am, I need you to
11 state your name and spell it for the court reporter.

12 MS. SNIDER: And it is S-N-I-D-E-R, Maxine
13 Snider. I am representing the citizens of southern
14 Illinois.

15 I would like to present for most of us
16 the bottom line is what is my electric bill this
17 month. We aren't into what is the transportation
18 costs, the delivery costs. We are not into what the
19 kilowatt hours are. We are into what can I pay out
20 of my living budget for a warm house for my family or
21 as a cool house in the summer. Very rapidly I want
22 to tell you I have done a three-year study that I

1 will present tonight to Mr. Bensler (sic) and to the
2 others I have mentioned, also to Mr. Nelson. Thank
3 you.

4 But I would like to tell you a little
5 bit about us. We are an all-electric home, built in
6 1964, 2800 square feet, all brick, with an
7 all-electric promise to honor our all-electric home
8 with a discount from the time it was built until as
9 far as I am concerned it should still be in effect.
10 In the year 2005, now these are all AmerenCIPS. I
11 have even had family that works for CIPS, and I can
12 go back ten years if I need to. I have just gone
13 back three.

14 But in the year of 2005 we spent 1,567
15 actual dollars with an average month of \$131 a month.
16 Then in the year 2006 it went down a little bit,
17 thank you. We just spent a little less, 1,487, \$124
18 a month. Now, I got on this last year probably when
19 you did. In January for three years 215, 228, 221,
20 average. Then what happened in February 2005 was
21 \$218, 2,170. 2007 Ameren was \$456. How about the
22 rest of you?

1 Now, in March it went from 174, then
2 175 to 359. We were out of town in February in
3 Florida with our children for two weeks when we got
4 the \$456 bill. This is what made me mad. So on and
5 so forth.

6 Well, Ameren is pretty clever and we
7 appreciate the refund. Out of that so many million
8 rebate mine came to 447. I subtracted it, like any
9 of you probably did, said oh, good. But as we came
10 down here, Ameren was pretty clever. Because in May
11 in 2006 my electric bill was 67 and in the last year
12 182. I mean, it went up that high in just one year.
13 All the way through here it was the same thing.

14 The bottom line is this, folks. We
15 spent \$2,168 in the year 2007 and that was an average
16 month from 124 in 2006 to \$172, and that was
17 subtracting the refund, with a 39 percent increase.
18 This isn't any four or five percent increase. We
19 have -- all Ameren has to do is look up our bills. I
20 am presenting it to them. And it is a 39 percent
21 increase already before they are even talking about
22 increasing again.

1 We are not being foolish. We are not
2 being stupid, unless we sit here and let them do it
3 without standing up and talking about it.

4 HEARING OFFICER BENSKO: Art F-R-A-I-L-E-Y.

5 MR. FRAILEY: Well, unlike her, I am here to
6 say that our energy costs has something to do with
7 this. Now, my bill went up about 70 percent this
8 year, okay. And I know some people who's energy bill
9 went up some 300 percent, you know. And Mr. Bradley
10 has those records on file there. He just turned it
11 in to you.

12 Now, I want to say this on this cost
13 here. You know, I went out to one or two of these
14 other utility companies, you know, that are
15 furnishing electric and gas, right around us here,
16 right down below us. And, you know, I found out that
17 Ameren, you know, is buying their energy from a place
18 that fuels their power plants with coal from another
19 state, Wyoming, as a matter of fact, and they only
20 pay \$10 a ton for it. That coal happens to be a
21 hundred percent efficient as compared to Illinois
22 coal that these places down here are paying \$42 a ton

1 for, and it is only 80 percent efficient compared to
2 the Wyoming coal.

3 Now, I ask you this. If they are
4 paying four times as much for their coal that they
5 are using energy for, and these other companies down
6 here, they are buying four times as much as that, \$42
7 a ton as compared to \$10, that's 400 percent of what
8 the other company is paying. The 80 percent there
9 amounts to 25 percent more of what they are charging
10 for it than what they are actually getting for it,
11 okay. That amounts to 425 percent less than what
12 they are paying for their energy. In other words,
13 the company that's furnishing that fuel should deduct
14 that electric -- should be able to furnish that at a
15 cheaper rate than they are paying for it, evidently.
16 Either that or Ameren is paying too much.

17 Now, I don't know where the money is
18 going to there or anything like that. I didn't get
19 to check that out. But we are talking about cost
20 recovery. What is cost recovery that we are talking
21 about? I thought that was incorporated into any
22 business transaction, isn't it? Gentlemen, a lot of

1 you in here, you run your own businesses, do you not?

2 And I thought that cost recovery was already in a
3 business.

4 So why are they putting some of these
5 things on our bills here that are not supposed to be
6 on there? Like Mr. Bradley mentioned one of them
7 awhile ago, I will mention another one.
8 Uncollectible Rider charges, you cover the unpaid
9 utility bills of those customers who are unable to
10 afford Ameren's new higher rates. Now, you know, I
11 don't object to paying some to some of these people
12 who are down and out and can't quite afford it. But
13 I want to know does this include some of these people
14 that's already got these big houses that they are
15 having to pay a thousand dollars for and their rates
16 are going to go to \$2,000? Am I going to have to pay
17 part of that because they can't pay it? I just want
18 to know.

19 The diesel fuel that you was talking
20 about there that has gone up 30 percent. Well, you
21 know, these other companies are having to pay that
22 same amount. As a matter of fact, this plant right

1 down here below Marion, they are having to pay that
2 because their coal is trucked in. They are having to
3 pay that in addition. But you know what, their rates
4 haven't gone up.

5 The free market interest this
6 gentleman talked about back here, you know, a lot of
7 utility companies that's ran by the people
8 themselves, they own the company. The customers own
9 the company. Why shouldn't it be that way with
10 Ameren? Why should somebody be making money off of
11 me off of energy that I need? I can understand why
12 they make money off of something that I don't
13 necessarily need. I don't need a computer in my
14 house, but I have got one, and I can understand why
15 these companies want to make money off of that
16 whenever I try to put it online. That's okay. I
17 don't need that computer online. But, you know, I do
18 need that electric and gas coming into my house, and
19 I just don't see -- I just don't see why people
20 should be having to pay a lot of extra whenever we
21 could own the company.

22 And I am suggesting that if they go up

1 to that, I don't know the legalities on this, I am
2 sure that our representative does, but I would
3 suggest changing that over and let the people buy it
4 out so that we might run it more efficiently if they
5 can't do it. Thank you very much.

6 HEARING OFFICER BENSKO: Thank you, sir.

7 Amy Paschedag. Amy is with AARP, and
8 they passed out those flyers tonight, and she has
9 some words about those fliers along with her comment.

10 MS. PASCHEDAG: Yes, if you would please write
11 any comments on this and turn it into the gentleman
12 and lady at the door, thank you, we would appreciate
13 it very much.

14 HEARING OFFICER BENSKO: Amy, could you spell
15 your name for the court reporter?

16 MS. PASCHEDAG: My name is Amy, A-M-Y,
17 Paschedag, P as in Paul, A-S-C-H-E-D-A-G.

18 Good evening, representatives of the
19 Illinois Commerce Commission and residents of
20 southern Illinois, and thank you for the opportunity
21 to speak on this very cold night.

22 AARP is alarmed by the continued

1 efforts of the Illinois utilities, Ameren and ComEd,
2 to increase energy prices. Last year AARP worked
3 with the Attorney General, the Citizens Utility Board
4 and the Illinois General Assembly to overturn the
5 electric rate auction and end the skyrocketing
6 increases it created. As a result, one billion was
7 provided by Ameren and ComEd for rate relief and a
8 new electricity procurement process was implemented.
9 AARP members across the state fought hard for that
10 victory. Now these increases will move to eliminate
11 it.

12 Ameren seems to be at it again,
13 requesting nearly a quarter of a billion dollar
14 increase in its annual delivery charge for both
15 electric and natural gas customers. To make matters
16 worse, Ameren proposes to collect some of these new
17 charges through the use of so-called riders or
18 surcharges. One of Ameren's proposed riders is
19 so-called uncollectibles. Under this rider all
20 customers would pay a surcharge to cover the
21 shortfall created by those customers who are unable
22 to afford their higher utility bills in the first

1 place.

2 In addition, they also want a rider
3 for natural gas customers, and that would charge
4 customers for the delivery of gas they never
5 received. They call this decoupling. We call it
6 wrong.

7 Riders create a fast track for Ameren
8 rate increases without the benefit of looking at the
9 Company's overall revenue to see if there are
10 offsetting decreases. They unfairly shift the risk
11 onto customers by allowing these unfair increases
12 outside of a rate case audit.

13 Illinois consumers deserve better.
14 Deregulation has already exacted a high toll on
15 consumers. By creating a fast track to higher rates
16 through riders Ameren is proposing to go down the
17 failed deregulation path once again. The Commission
18 must protect consumers by rejecting riders and
19 Ameren's larger attempt to syphon off much of the
20 hard fought and won one billion out of consumers'
21 pockets.

22 The simple truth is that working

1 people, families, retirees and small business owners
2 cannot afford to pay these ever-skyrocketing energy
3 bills. On average families spend a greater share of
4 their income on utility costs than on any other
5 necessity. For older adults their share of utility
6 service can be as high as 24 percent of their monthly
7 income. This means many will be forced to choose
8 between paying their utility bill, rent and buying
9 food or prescription drugs. We all know this
10 increase will not just be in residential customers.
11 They will pay the increase over and over and over and
12 over and over again as the costs go up for small
13 business and service providers.

14 AARP urges the Illinois Commerce
15 Commission to do the right thing, reject Ameren's
16 request. Further, AARP urges the Commission to
17 reject riders which amount to nothing more than
18 slipping in undue and unfair increases for consumers.
19 The approval of Ameren's delivery service increase
20 and these riders will put the health, safety and
21 financial security of residential customers at risk.

22 Thank you.

1 HEARING OFFICER BENSKO: Thank you.

2 Mike Eberhart.

3 MR. EBERHART: Good evening. Mike Eberhart, E
4 B as in boy, E-R-H-A-R-T. I am a 27-year employee of
5 Ameren. I am an electric engineer in my education.
6 I am in charge of the delivery reliability for the
7 southern region of the state. We serve the southern
8 14 counties which is mostly made up of Ameren.

9 AUDIENCE MEMBER: Speak up.

10 MR. EBERHART: The southern 14 counties, did
11 you hear that part? And it is made up mostly of the
12 old CIPS territory. This is a little bit of Illinois
13 Power toward Eldorado that is in part of the southern
14 14 counties. We serve a little in excess of 90,000
15 customers of that 1.2 million that was mentioned
16 earlier, and we have approximately 200 employees
17 based primarily here in Marion that take care of your
18 electric and natural gas.

19 Now, my part here would be simply to
20 state basically what we spent in all seven on
21 reliability that is not recovered through line
22 extension charges. We expended, just on the electric

1 system, \$2.7 million in 2007. Now, that's poles,
2 wires, new underground cable. You may have seen us
3 working in your neighborhood on replacing the
4 deteriorating poles. We started a ten-year program
5 in 2005 of inspecting a certain number of our
6 circuits and poles every year, basically covering all
7 of our major circuits, every ten years replacing
8 deteriorating poles, reinforcing, whatever was needed
9 to provide you reliable service.

10 In 2008 that figure is proposed to be
11 three and a half million. And in 2009 that figure is
12 4.3 million. Basically, that's where our plans lie
13 in the area of just the southern 14 counties. If you
14 picture the 1.2 million to customers that was
15 mentioned, basically we are a little less than ten
16 percent of that number in our region, and that's our
17 portion of that 247 million that we would be asking
18 for in recovery of those costs necessary to improve
19 our infrastructure.

20 We do more than just replace poles.
21 As I mentioned we have a program to replace
22 deteriorated, aged underground cables, and we are

1 installing protective devices to try to minimize the
2 number of outages that are affected by a tree going
3 through a line. We are spending more on tree
4 trimming, as was mentioned earlier.

5 Basically, that's all I really wanted
6 to say, is that we are expending a significant amount
7 of dollars on the reliability of your electric
8 system.

9 Thank you.

10 HEARING OFFICER BENSKO: Thank you, Mike.

11 Thomas Ellis.

12 MR. ELLIS: E-L-L-I-S. I have only got one
13 question, I would love to have an answer. How many
14 million does their CEO collect? I want to know.
15 Their CEOs eat up millions, and I believe that's our
16 problem.

17 HEARING OFFICER BENSKO: Thank you. Thank you,
18 Tom.

19 Ellie Dorchincez.

20 MS. DORCHINCEZ: My name is Ellie Dorchincez,
21 D-O-R-C-H-I-N-C-E-Z, and I am going to talk to you
22 tonight like you are my neighbor, to all of you.

1 Mine is probably a little bit emotional, and I will
2 try to keep it short.

3 Good evening, everybody, and thank you
4 for allowing me the time to speak here tonight. I
5 have aggressively spoken out on the rate increases
6 regarding to Ameren for a year now, this month. I
7 currently own a small business in southern Illinois.

8 In July '07 it was reported as a
9 monumental day as there was finally a rate relief
10 package totalling \$1 billion. We waited more than
11 eleven months to see this relief which either came by
12 check or credit to our bills.

13 Let me say again I am not in favor of
14 a rate increase for Illinois as there are too many
15 people on fixed incomes, people who are simply living
16 paycheck to paycheck, not knowing where their next
17 dollar is going to come from, single parents, people
18 who are on disability, people who need medical help
19 every month, businesses who keep seeing rates on
20 everything jumping out of school, schools who have
21 budgets to work within. And if they are outside of
22 that budget, then the money must come from other

1 sources or businesses that were in town longer than
2 we were that have closed and left town last year
3 because they simply couldn't pay these rates. The
4 list is very long.

5 The simple truth is that electricity
6 is a necessity for all of us, and I believe that a
7 company that is making millions should not be allowed
8 to keep taking from the working man and woman who is
9 already having a hard enough time with the way the
10 economy is. I know this matter is a very sensitive
11 one to all of us, but when you start taking a man's
12 hard-earned money away and doing it in a way that is
13 not morally correct, you stand alone, Ameren. You
14 can't simply give us a rate relief package and then
15 take it away from us.

16 I realize with each passing year that
17 the cost of items go up. With a company of your size
18 I would think that you would be trying to save a
19 little each year to take care of rising costs,
20 equipment costs, maintenance, paying for your health,
21 etc., or has all the profit that Ameren has made gone
22 straight to the top.

1 We simply cannot got through this
2 again. People in Illinois will not stand for this.
3 There has to be an answer. I remember something once
4 that my father stated to me, "Try walking a mile in
5 our shoes." So I say try walking a mile in our
6 shoes, the people of southern Illinois. Take a look
7 at us all that are here tonight. We are people with
8 hearts and lives, and we don't need broken promises.
9 I ask of you tonight, the ICC, to
10 please look at all of these faces that are here
11 tonight, every one of them, because we are the faces
12 that are here talking tonight, and we are the ones
13 that are the story. We are the ones that are most
14 affected, and just take a long look at us. We have
15 been fighting this for a long time, for over a year,
16 and we are not going to stop.

17 Thank you.

18 HEARING OFFICER BENSKO: Donald Walden.

19 MR. WALDEN: My name is Donald Walden,
20 D-O-N-A-L-D, W-A-L-D-E-N. I am an individual. You
21 know, I am on SSI and Social Security and I am on
22 energy assistance. Well, see, I use my energy

1 assistance very sparingly, you know, to make it last
2 as long as I can. And, see, I understand one of your
3 proposals would penalize me for doing that. And it
4 is just going to make me like a lose/lose situation.

5 And besides that, you know, what each
6 individual has paid, that's only part of the problem
7 because, see, when you raise the cost of business,
8 when you go to a store and buy something, you know,
9 that's much higher there. And, see, one thing, see,
10 I remember back in the early '70s, you know, I
11 studied a course in systems and everything like that.
12 One rule of subsystems is that one subsystem is not
13 supposed to ruin the rest of the subsystems, and
14 that's exactly what you are doing. You are ruining
15 everything else. I mean, if we don't draw the line
16 somewhere in the sand, we are going to go back to the
17 old company store, like things were a hundred years
18 ago.

19 I could say much more, but -- and I
20 agree with everything else, all the testimony, you
21 know, that's been said before.

22 HEARING OFFICER BENSKO: Thank you, Donald.

1 Thanks, Don.

2 Rich Whitney.

3 MR. WHITNEY: Good evening. Thank you. My
4 name is Rich Whitney, W-H-I-T-N-E-Y, and I am
5 speaking on behalf of the Illinois Green Party Power
6 to the People Campaign.

7 Although I am not personally an
8 AmerenCIPS electricity customer, I am an AmerenCIPS
9 gas customer. But beyond self interest, I wish to
10 express my concern as a citizen for the impact of the
11 proposed rate increases on my fellow Illinoisans and
12 its certain negative impact on the Illinois economy.

13 This rate increase request must be
14 reviewed in its historical context. Under the phony
15 deregulation scheme that the energy and utility
16 companies hoodwinked our state government into
17 adopting back in 1997, despite the ensuing ten-year
18 freeze on rates, Ameren's profits nearly doubled and
19 its stock value soared during that period. After the
20 reverse auction of a year ago, Ameren customers
21 generally experienced rate hikes of 40 to 55 percent,
22 depending on where they live, and dramatically higher

1 increases for all electric customers, as we have
2 heard some testimony about here this evening.

3 Between ComEd and Ameren the total
4 rate hikes imposed increased cost -- imposed
5 increased costs of \$2.3 billion a year on Illinoisans
6 last year, which according to the Citizens Utility
7 Board projections will cost our economy 20,000 jobs
8 at a time when we can hardly afford that.

9 Then after much hoopla, efforts to
10 refreeze rates were defeated again and again by the
11 utility's allies in the state senate, and we ended up
12 with a so-called rate relief package that gives
13 Illinois consumers \$1 billion in relief other the
14 whole state, but over four years. Now, do the math,
15 \$2.3 billion a year for four years versus one billion
16 spread over four years, and assuming no further
17 increases in utility rates, that would come to about
18 eleven cents in relief over the four years for every
19 dollar of price gouging increases.

20 But now we are being presented with a
21 request for increases in utility rates yet again, not
22 even three months after the ink was dry on the rate

1 relief package. Ameren comes back and requests an
2 increase in delivery rates by another \$247 million.
3 On top of that, at a time when we all have an
4 interest in promoting conservation and energy
5 efficiency for both economic and environmental
6 reasons, this proposed decoupling would charge
7 consumers the same amount for deliver of natural gas
8 no matter how much the individual actually uses that
9 month, thereby placing a disproportionate burden on
10 those who consume less gas. In other words, in
11 effect it actually punishes those who conserve on
12 energy use. This is plainly contrary to the public
13 interest.

14 And I would differ with the gentleman
15 who talked about the need to be educated. I am
16 educated, okay. In my own home I invested in an
17 ontime demand water heater which is an energy
18 efficient water heater. It only comes on when you
19 actually need the water. I spent over \$2,000 to
20 advice in that. I turn my thermostat down to 50
21 degrees at night and 56 degrees during the day, only
22 occasionally turning it above 60 for special

1 occasions, and my gas bill last month was \$117 for a
2 home that's very modest. It is a little bit larger
3 than a double wide trailer.

4 So, you know, this is ridiculous. So
5 in this situation for people like me to be asking us
6 to bear a disproportionate burden for people who
7 don't conserve, that makes absolutely no sense. And
8 by the way the check is in the mail.

9 Now, I don't pretend to be an expert
10 on utility company financing, and I have not read
11 through the hundreds of pages of exhibits that have
12 been submitted by AmerenCIPS in support of its
13 request. However, I have reviewed the direct
14 testimony of President Scott A. Sisel and Vice
15 President Nelson who courageously spoke here today in
16 support of their request, and I must say that I am
17 not persuaded by a request predicated on speculation,
18 on administrative and general expenses imposed by its
19 sister company, Ameren Services, and on projected
20 increases in bad debts that are themselves the
21 product of its prior rate increases. You can't
22 create more bad debts, then come back and say we need

1 more money to cover the bad debts.

2 And contrary to the testimony we heard
3 today, if you actually look at the report by
4 President Sisel and Vice President Nelson, it is not
5 talking about straight-forward increases in costs.
6 It is talking about things like riders to cover
7 unpredictable cost increases. It is based on
8 speculation.

9 And, by the way, you can find these
10 reports on the ICC website, but they are a little
11 difficult to find. A constructive criticism you may
12 want to consider.

13 In addition, this request comes not
14 only in the context of these record rate hikes, but
15 they come in the context of a corporation that has
16 just recorded four successive quarters of profit
17 increases, up to its third quarter 2007 gross
18 operating profit of \$674 million. This is a company
19 with over 19 and a half billion dollars in assets.
20 Ameren Corporation may be projecting future
21 difficulty, but it is not in any trouble today,
22 unlike the many consumers and businesses that are

1 struggling to make ends meet in a deteriorating
2 economy.

3 Finally, I cannot help but notice that
4 whatever its troubles, Ameren seems well able to
5 afford to buy influence in state government. Anyone
6 who goes to the State Elections Board website at
7 elections.state.il.us and looks up the campaign
8 disclosures for Ameren in recent years will note the
9 tens of thousands of dollars in recent years given to
10 Citizens for Frank Watson, Friends of Michael J.
11 Madigan, Citizens to Elect Tom Cross, Friends of
12 Blagojevich and perhaps its most cost-effective
13 investment Citizens for Emil Jones. If there is any
14 decoupling to be contemplated here, I would ask that
15 Ameren start decoupling itself from our state
16 government.

17 Under these circumstances I don't see
18 how the requested rate increase can be justified at
19 all, and I would agree with Representative Bradley,
20 this request should be summarily and emphatically
21 rejected.

22 Thank you.

1 HEARING OFFICER BENSKO: Thank you, Rich.
2 Michael Abba.
3 MR. ABBA: My name is Mike Abba, A-B-B-A. I am
4 an 18-year Ameren employee. I guess I don't really
5 have a comment. I have more of a question. I know
6 in the paper there has been some comments about this
7 decoupling, and the gentleman before me talked about
8 it, too, and there seems to be a lot of
9 misunderstanding about it. So hopefully in the
10 question and answer session, we can get a little more
11 information on that issue.
12 Thank you.
13 HEARING OFFICER BENSKO: Thank you, Mike.
14 Drew Gaul.
15 MR. GRAUL: Sir, I have nothing to say that
16 hasn't been said already, especially by this lady in
17 the green shirt up here. I can't think of the name.
18 Snider. So I pass the buck.
19 HEARING OFFICER BENSKO: Thank you.
20 Arthur Kidd.
21 MR. KIDD: I am going to go ahead and pass.
22 HEARING OFFICER BENSKO: Thank you, Arthur.

1 David Rollins, R-O-L-L-I-N-S. Ed

2 Streamas.

3 MR. STREAMAS: I am going to make it a little
4 short. My name is Edward Streamas, S-T-R-E-A-M-A-S.
5 I assume you know how to spell Edward.

6 I am not Ross Perot with bar graphs
7 and pie charts like the Ameren representative
8 attempted to convince you that he needs your money.
9 I am just a lowly retiree down here in southern
10 Illinois. And I guess instead of making a statement,
11 I really have a question. And the question is this.
12 Has Ameren somewhere in the dark corners of the
13 corporate offices, is there a little guy that did a
14 demographic study on southern Illinois with respect
15 to the household income? And if so, did he tell his
16 superiors, hey, these guys have got "X" dollars in
17 their budget that we can grasp onto.

18 And if all my rattling on here is a
19 fantasy of my own, if they have not done this
20 demographic study that I refer to, then I have one
21 statement. We can't afford them. We can't afford
22 Ameren. Let them grab their cherry pickers and their

1 backhoes and get out of southern Illinois.

2 And I don't have a lot of data but the
3 presenters prior to me have presented you with a lot
4 of data and it is good data and sound data, that with
5 the exception of a couple plants, it is really good,
6 okay. And I guess I will relinquish the floor to the
7 next speaker.

8 Thank you.

9 HEARING OFFICER BENSKO: Paul Hunsaker, Paul?

10 MR. HUNSAKER: Yes, my name is Paul Hunsaker,
11 H-U-N-S-A-K-E-R. Someone covered what I was going to
12 talk about, but thank God they put the little slides
13 up there. And I was amazed at the gobblety gook that
14 they presented to us as if we were ignorant. That
15 little dollar would almost say or lead you to believe
16 there is no profit and that dollar is just spent. We
17 had no percentage to indicate what percentage of that
18 dollar was profit. And we can say, well, they earned
19 this many dollars last year, but that still doesn't
20 tell me anything. What percentage of profit are you
21 operating on? And I haven't seen anyone give that
22 information. I have not been able to find that

1 information. And when you call Ameren, you usually
2 talk to a tape recording, you know. You can't talk
3 to anyone that knows anything.

4 So I would suggest you do two things.
5 One, tell us what you are making. Even Exxon tells
6 us they are making between three and five percent.
7 The other thing would be that you quit throwing all
8 these little wasteful advertisements in the paper,
9 and tell me what you compare yourself to with
10 Egyptian Electric and different electric companies
11 other than your own. How does your billing compare
12 to theirs?

13 The uncoupling is just absurd. You
14 know, my bible tells me to share. My church shares.
15 And if I see someone that needs help, we go down and
16 get it. But if there is somebody that wants to sit
17 on his hind end and not pay his bills, you just have
18 to go get him with your attorneys you have in vast
19 array in your company. But the poor people, I will
20 be there for them.

21 My momma is 89 years old, and her bill
22 went up, not 39 percent, not 69 percent, but 72

1 percent. And I am blessed so I can go down there and
2 help her pay it. And it makes me so darn angry to
3 walk in here and see people with their suits on who
4 haven't the slightest idea about anything but
5 profits.

6 Thank you.

7 HEARING OFFICER BENSKO: Thank you, Paul.

8 Thomas Headd.

9 MR. HEADD: I can't add a whole lot to what's
10 already been said here tonight. I am sorry to hear
11 that the stockholders of AmerenCIPS will soon be
12 selling all their stock and going into some other
13 business, you know. But I guess that's the way it
14 goes.

15 If I make it to the 18th of this
16 month, I will be 76 years old. And my wife is in bad
17 health. And we had a two-story house, but our
18 utility bills was running so high, we had to sell
19 that and move to a smaller house. And we thought,
20 you know, we could make it pretty good on my small
21 Social Security and retirement check. But now we are
22 not making it all that well, and our electric just

1 keeps going up.

2 When I left my wife tonight at our
3 home, she was setting there by an oil heater because
4 we can't afford to pay the electric that we are
5 having to pay.

6 And I would like to have an electric
7 bill, if there is 30 days in a month, my bill would
8 be 30 days. If there is 31, I would like my bill to
9 be 31 days. I get bills anywhere from 28 to 35 days.
10 I just -- you know, I wonder why, you know, that we
11 can't -- everybody else that pays by the month, if
12 there is 31 days in a month, they pay 31 days.

13 And I got to looking at my bills and
14 they don't come up to exactly 365 days a year. And I
15 would like to know when Ameren begins their year and
16 when they end their year, so I can figure out how
17 many days a year that I am paying.

18 Thank you.

19 HEARING OFFICER BENSKO: Thank you, Thomas.

20 Don Phillips.

21 MR. PHILLIPS: Don Phillips, P-H-I-L-L-I-P-S.

22 I am a writer. I live here in Marion, and I want to

1 thank you, Mr. Bensko, for being here, and pass that
2 on to the Illinois Commerce Commission as well.

3 I apologize. I am going to speak up
4 so everybody can hear me. I admit to being a little
5 bit nervous tonight, but I have been inspired by our
6 representative tonight, so I am going to speak my
7 mind, just as you asked.

8 You know, I am against this Ameren
9 rate increase. Basically, Ameren doesn't need a rate
10 increase; it wants a rate increase. And I think in
11 this presentation tonight they basically said that
12 buried in there, that they wanted to make a return on
13 investment and revenues.

14 So to me, you listen to whatever
15 everybody has been saying here and the neighbors that
16 I have, is this is no longer a situation where we are
17 contemplating an increase or not a rate increase. To
18 me it is a difference between right and wrong.

19 And I just wanted to say to the Ameren
20 people as well, this is not St. Louis. Southern
21 Illinois has a lower cost of living and lower wages.
22 There are a lot of people in this community who are

1 on fixed incomes. And without belying the point
2 about everybody said, but my father is 83 years old
3 and he is a veteran of World War II and Korea, and he
4 is afraid to turn up his electric thermostat because
5 he can't afford it. Now, fortunately, I am here to
6 help him, but nobody in the United States of America
7 should have to live like that.

8 Now, I hear nothing, nothing, from
9 Ameren's executives about people on fixed incomes.
10 And, you know, why not? Well, because they don't
11 care; that's right. They don't care about people on
12 fixed incomes. And my personal belief is that it is
13 just about business and it is about increasing the
14 profit, and I think that was pretty obvious from that
15 presentation tonight.

16 Now, all this wouldn't be so bad if we
17 had a choice. But we don't have a choice. I mean,
18 Ameren has a monopoly in this community on a very
19 vital resource. And if I had a choice, I would
20 definitely not be giving any of my money to Ameren.
21 I would be searching for someone else that could
22 provide a service with honest executives.

1 And my personal belief is this is just
2 a classic example of corporate greed, and corporate
3 greed on the shoulders of good decent people who
4 can't afford it. So what does good decent people do
5 in the United States of America when they are faced
6 with a situation like this. They turn to their
7 government. And their government is supposed to help
8 them because we don't have any other choice. And
9 that's why the Illinois Commerce Commission is set up
10 in the first place. So let's be thinking about that
11 for a change.

12 And do the Illinois Commerce
13 Commission representatives, the delegates, are they
14 going to listen to everything that's been said today?
15 Are they going to actually read tens of thousands of
16 documents? How are they going to get all this
17 information? You know, I don't know. I don't know,
18 and I would like to find out a little bit about that.

19 But the fact is that one of -- one of
20 Illinois's favorite sons, Abraham Lincoln, once said
21 that the legitimate object of government is to do for
22 the people what they cannot do for themselves. In

1 this situation that's all the people of southern
2 Illinois right now have is their government. And I
3 am asking you all to do what the people of Illinois
4 cannot do for themselves.

5 And I also have a message for
6 Mr. Nelson. And I would like you to take it back to
7 your executives in Illinois, if there are any in
8 Missouri when you go back there. But I don't believe
9 that you people have any moral conscience. I don't
10 think that you give a damn about anybody on fixed
11 incomes in southern Illinois, and you go back to
12 Missouri and you tell your bosses to go to hell.

13 HEARING OFFICER BENSKO: Thank you, Don.

14 Edith Stone. Edith S-T-O-N-E. Rex
15 Couch.

16 MR. COUCH: I will pass.

17 HEARING OFFICER BENSKO: Charles Graves. Tom
18 McGuire.

19 MR. MCGUIRE: My name is Tom McGuire, that's
20 T-O-M, M-C-G-U-I-R-E. Last year a friend of mine
21 sent me this paper over the internet. I showed
22 Elliot that one time. It showed the profits. I will

1 show you. 1997, whenever they had the freeze on, the
2 profit was \$335 million. It's gone up every year. I
3 have gone up to 2005 because that's where it ends
4 right there, but he said there were \$674 million
5 profit as of 2005. As you see, the profits go up
6 every year, every year.

7 And I asked about need. And that guy
8 Nelson, if I can read for us -- I am not much of a
9 speaker. Try to bear with me here. He talked about
10 the need for an increase. There is no need. Pure
11 and simple, just a rip off.

12 Okay. He said that before, and I made
13 some notes tonight. I wasn't going to speak tonight
14 anyhow. I am now. Things catch my eye. 2004, 2006
15 he said costs increased. I don't think there was a
16 cost increase from his profits.

17 Let's see right down here. What
18 effect does this have on other businesses? I thought
19 there was a trickle down. When the price of
20 electricity goes up, all your businesses, they all
21 raise their prices, food and groceries, the mall over
22 there, every place. Who gets to pay it? The

1 customer. Everything does go up. Your businesses.
2 I mean, to me it would be hard to lure a business
3 into southern Illinois with a rate increase for
4 electricity.

5 And I don't know if you know about the
6 Mercy Nursing Home that closed down because the rates
7 were so high, they couldn't afford to pay it. And
8 there was a child -- a daycare center over there. I
9 know about that.

10 I wrote an article one time it is
11 called "Power, Greed and Corruption in Politics." It
12 was published in the Marion paper about a year ago.
13 I don't know if anybody read it, but I wrote it.
14 Okay. Ameren is a monopoly, that's for sure. That
15 guy told us about not being a monopoly. We don't
16 have a choice where we get our electricity. And this
17 one guy talked about the long term strategy. I was
18 involved with her house back in the early '70s, yeah,
19 '60s.

20 Anyway, they talked about this long
21 term strategy 30 years ago. Why now are they always
22 using "long term strategy"? It was back in the '70s,

1 they heard us, we got around here, never admit it.

2 More should be built. We know that.

3 I would like to know one thing, is
4 this a show? I went to the airport out here one time
5 when all the politicians come down. Emil Jones was
6 there and everybody. We had a show. They never told
7 us nothing. Well, they don't do nothing either, I
8 don't think.

9 But this is ridiculous; it is
10 laughable. It really is. This rate increase, it is
11 really unnecessary, no need, uncalled for. It is a
12 burden on people. It just shouldn't happen. You
13 have people at Ameren is richer than -- they are rich
14 enough. How much money do they make?

15 Oh, one thing I did forget to tell
16 you, how many assets do you have? I think the \$2.5
17 billion in assets. They are not going broke. 3.5 or
18 2.5 billion. They have money. They are rich. It is
19 very unnecessary. How much did you pay your CEOs and
20 your president and all that, Sisel? Too much money,
21 way too much money. It should never have happened.
22 You people are just ridiculous on your greed.

1 HEARING OFFICER BENSKO: Millie Martin.

2 MS. MARTIN: My name is Millie Martin, and I
3 didn't really come to speak this evening, but -- and
4 I will spell my name. My name, I am sure you can
5 spell Millie, M-I-L-L-I-E and M-A-R-T-I-N.

6 But what my concern is, I am a widow
7 with a very low income. I am in bad health and all
8 that. And I would like to know how would you feel if
9 you were on a fixed income and you went and you had
10 to pay for one prescription over 400, 500 dollars,
11 and you didn't have the money. And we can't pay our
12 bills. If it wasn't for my kids helping me, I could
13 not pay my bills. And thank God for Medicare D and
14 that to help us on our drugs.

15 But you people ought to realize, us
16 people on a fixed income, we do need you to lower our
17 bills. My bill has went -- two years ago it wasn't
18 even a hundred dollars. Then it went to a hundred
19 and something. This year it is almost \$300. And I
20 don't even heat my house half the time. I have
21 changed all my light bulbs, my light globes and
22 everything, fixed my home's energy efficiency, and my

1 bill still goes up.

2 Never an increase. Yeah, you gave us
3 a rebate back. But where did that rebate go? It
4 went back to you people. Because we had to save that
5 money for the next bill.

6 So you need to lower and think of us
7 people, us senior citizens, and low income. I don't
8 know how some of these people even survive that's on
9 lower income than I am. Thank God I have children
10 that can afford to help me. And thank God for John
11 Bradley. And if it wasn't for him, we wouldn't have
12 even got what we did. But now you are trying to
13 cheat us again. So please take into consideration
14 the people like us.

15 Thank you.

16 HEARING OFFICER BENSKO: Thank you, Millie.

17 Scott Doody.

18 MR. DOODY: I don't know if I can talk here or
19 not, Ed. Doody, D-O-O-D-Y.

20 There is a line in a movie where one
21 of the characters says, "What has happened to us and
22 what in the hell are we going to do about it?" Let

1 me explain something to you. Rich Whitney is a smart
2 guy, I know, because he said he was educated. Rich
3 is a good man. And I don't know what Ed did for a
4 living, but you ought to be on HBO Comedy Hour.

5 Let me explain something to you. I am
6 45 years old, and I am going to say something that is
7 not popular here real quick, and I will say what I
8 have got to say, and there is a lot of people that
9 want to talk. And I actually wanted to do the Q and
10 A session, but I have got to go to work tomorrow, and
11 you will still be here tomorrow.

12 Let me say a couple of things and I
13 want you to think about it this way. I am an Ameren
14 customer. I live in Calhoun County. I don't heat my
15 house with electricity. My light bill last month, it
16 was \$75. I have got a 3,000 square foot 100-year old
17 farm house, and I have got two teenagers that there
18 are streets named after them; it is one-way. They
19 only turn the lights on and they never turn them off.
20 I would be a lot heavier, but I spend all my time
21 running around the house, trying to turn the lights
22 off.

1 There was a woman up here a minute
2 ago -- and I will try to explain how we can fix our
3 problems here tonight, because obviously you want to
4 take them out on Ameren. But we are not going to
5 solve the problem by bashing a corporation. And I
6 know it is fun to do that, and maybe they have got
7 some constructive criticism coming on some issues.

8 But let me explain something. There
9 was a woman up here a minute ago. She talked about
10 the fight that she had had, and I suspect it is the
11 woman that owns the Farm Fresh in Benton. Is that
12 right? She won't say who she was, but I am guessing.
13 After you got on Jim Muir's (sp) show, you became
14 popular. And you were paying a thousand or 1200
15 light bills. I mean, it was unbelievable. Hell, you
16 can't burn that much electricity. Must have had
17 somebody leave a motor on that night.

18 Hang on. Back last summer some
19 businessmen got ahold of me, and one of the
20 businessmen -- and I will go ahead and say who he is
21 because he is not here and can't stop me -- was the
22 man who bought the old Navy school in Anna, and he

1 remodeled it. And whether it was natural gas or
2 water heat, I don't know what it had for heat but it
3 had asbestos and he had to change all the heat. And
4 the Ameren Company came to him and asked him what
5 kind of heat he was going to put in. He said, "Well,
6 I haven't thought about it yet, natural gas, propane,
7 electric." There are only two or three things you
8 can heat your house with. Ameren told him if he
9 would go all electric, they would give him a rate
10 reduction. A lot of people have been told that out
11 here.

12 All right. So he went electric heat.
13 And then his light bill, when they pulled the
14 electric rate relief away, his light bill went
15 through the roof. I don't know what it was; several
16 thousand dollars a month.

17 Now it is back down like it was
18 before. I talked to him tonight before I came up
19 here, because I remember he bragged to me. He said,
20 "I am going to go all electric heat." And I told
21 him, I said, "Jerry, you are crazy. You can't heat
22 with electricity. Natural gas" -- and this was years

1 ago -- I said, "Natural gas is cheaper." He said,
2 "No, Ameren has told me. I am going to go all
3 electric, and they will give me a rate relief." He
4 bragged about it; he was happy. I was happy for him.

5 Well, for two or three months he paid
6 light bills that you couldn't pay, and then for some
7 reason his light bill went back before. His electric
8 rate relief kicked back in.

9 Now, I said I was 45 years old, and I
10 look around this room and a lot of folks are older
11 than I am and some are younger. But you have never
12 been to one of these meetings before. Never. Of
13 course, you are having this meeting tonight because
14 Representative Bradley and others, when they had this
15 package where you got a check back, forced the ICC to
16 come out in the public and have public meetings.
17 That's why they are here, because the guy said we
18 want to have it out in public. But you have never
19 been to one of these meetings before because we never
20 had this problem before.

21 Hold on. We didn't have this
22 regulation and unregulation and so forth and so on.

1 Hang with me and I will let you talk.

2 We got ourselves into a trap when we
3 put this rate freeze on and the fantasy about
4 deregulating the electric rate industry. That won't
5 work. Here is where we got into trouble. You can't
6 rate freeze somebody. You can't let somebody with a
7 monopoly tell you that they are going to have to buy
8 power from somebody and they will have to charge a
9 certain price for it. We have got to go back to the
10 way things were before.

11 When I was a kid in the coffee shops
12 in the '60s listening to the adults talk, nobody said
13 anything about their light bill. You knew what was
14 going to happen with your light bill. Every year,
15 whatever inflation was, that's what your light bill
16 was going to be.

17 ICC met in 1970 with CIPS and they
18 said the inflation rate is three and a half percent;
19 we need 3.8 or we need 4.2, and the ICC would grant
20 it or not. But you could count on what your light
21 bill was going to be every year.

22 You will be back here next year at

1 another one of these meetings and you will be back
2 here a year after that and a year after that until we
3 get away from this deregulation.

4 Some man said awhile ago that he would
5 like to have a choice on power companies. Well, you
6 are not going to get that. One of these guys said,
7 well, because we have never had it. Well, I agree
8 with you. But if we don't have competitors in the
9 market and you can't pick a power company -- and
10 that's not going to happen tomorrow. That's going to
11 take years to get that done. You are talking about
12 infrastructure. I am talking about reality here
13 tonight to help you now. People aren't going to
14 start building power plants and they are not going to
15 start stringing new lines and you are not going to
16 buy power from a company. There has never been
17 competition in the power business and that's why we
18 have always regulated them with the ICC.

19 That guy stood up here a while ago and
20 said their companies, three or four of them, they
21 have got a hundred years of history apiece. They
22 have always had a monopoly. And you never had these

1 meetings because they were regulated. And people
2 from Ameren and Commonwealth Edison and every other
3 power company started writing checks to politicians,
4 okay. Ten years ago -- oh, they have been writing
5 forever. But ten years ago they sold it to the
6 politicians. And what does a politician do?

7 HEARING OFFICER BENSKO: Scott, Scott, Scott,
8 address me, please. I have two more lists of people.

9 MR. DOODY: All right. I will wrap it up. We
10 have got to go back to the way things were before.
11 This deregulation won't work. You will be here every
12 year.

13 They wrote checks to politicians and
14 they let them deregulate and we got into this price
15 freezing and we will raise -- we will get rid of the
16 price freeze and we will do this, do that.

17 All you have to do, we had electricity
18 since the '20s and '30s. You have got to go back to
19 the way things were before. You are not going to get
20 anything accomplished here tonight. You can bash
21 Ameren all you want. They are a corporation. Their
22 job is to make money. You need to go back to the

1 politicians and you need to ask them to go back to
2 the way things were before.

3 HEARING OFFICER BENSKO: Thank you. Evelyn
4 F-U-Q-U-A. Evelyn is the mayor of the Village of
5 Crainville, correct?

6 MAYOR FUQUA: Right. E-V-E-L-Y-N F-U-Q-U-A.
7 That's right, I am the mayor of the Village of
8 Crainville. And I want everyone to know that at
9 least under my jurisdiction that we have been trying
10 to meet and do what we can. We meet with John
11 Bradley to get your word back to Springfield to get
12 it to, as he just said, to those who are in power
13 that can kind of help us.

14 And I was sitting back there, and the
15 very first thing that went on my paper in the early
16 part of the night, my mother had a great big basket
17 full of phrases. But this phrase came to mind when
18 Ameren gave us money and then they wanted to take it
19 back, that's nothing more than just -- I don't want
20 to be unpolitically correct in that -- Indian giver.
21 You give it to us and then you take it back in
22 something like this. And that's just a sad thing

1 that some of the people are telling me in my area.

2 But the main thing is, if there is a

3 profit, they need to learn to manage their money.

4 Just learn to manage your money. If Ameren has

5 profits -- and my family has been a stockholder. I

6 mean, it looked like a good thing. Wherever I spend

7 my money, that's where we kind of buy stock. If I

8 buy at the grocery store, I am going to go buy some

9 stock there. If I spend it at CIPS, we buy some

10 stock there, years ago. Learn to manage your money.

11 Go back to simple math and learn to manage your

12 money. That's just all it is, just pure and simple.

13 Because it is a trickle down effect when the costs

14 skyrocket.

15 Now, there is a little gentleman

16 sitting right here, Mr. Walden. I don't know if he

17 remembers me, but I used to work in the doctor's

18 office. And that man had to schedule his doctor's

19 visits only when he could afford it. And sometimes

20 he would come in with just a small amount of money.

21 He would say, "I can't come this month. I will see

22 you next month."

1 My parents called me, embarrassed, a
2 few weeks ago. They needed \$500 for eye medicine
3 that was not covered under Medicaid. Medicaid. My
4 parents had to leave their house and move into public
5 assisted living. And my dad had a stroke; my mother
6 had a heart attack. And my mom makes \$465 a month;
7 my dad makes \$485 a month on their income. They
8 needed \$500. Embarrassed them to pieces. This lady
9 who needed help from her kids, you are lucky. My
10 parents are lucky. Not all parents are lucky like
11 that.

12 But my mom had another phrase that
13 looked very good, "Walk a mile in someone else's
14 shoes." If you make a lot of money, you think
15 everybody makes a decent living. You have got to
16 just take off that fancy cover and go down and sit in
17 these homes where it is too cool to really be
18 comfortable, take a few weeks and live where you have
19 got to try to buy the groceries, where the milk is
20 now -- at some point it went to four and a quarter a
21 gallon. Four and a quarter a gallon for a gallon of
22 milk is too much.

1 I run a -- we have people all the time
2 who are upset now that in my town we had to get rid
3 of one day of garbage pick-up, and they are upset.
4 "I didn't get my garbage picked up this week." Well,
5 you know why? Because the garbage collector called
6 me a few weeks ago, back in November, and said, "We
7 cannot afford the diesel to come out every day a week
8 from Carterville to Crainville to pick up that
9 garbage. We have got to cut back." Because of the
10 energy costs to run their vehicles. "So you are not
11 getting your garbage picked up in a timely manner."

12 I have a piece of paper that is bright
13 red that came in on my desk this week. That's from
14 Rend Lake because Rend Lake is passing on water rate
15 increases to us because of the electric rate
16 increases it costs them to generate water usage.

17 Tom, you said it is a trickle down
18 effect. It is a trickle down effect, but I want
19 those people to trickle themselves down into southern
20 Illinois and live for a few days. Take off your
21 fancy, you know, duds. Go out there and sit with the
22 woman who is sitting there in 65 degree temperature.

1 Sit there with them and just really walk a mile in
2 their shoes. That's all we are asking. Learn to
3 manage your money.

4 I have -- you know, what did we have
5 to do yesterday in this region? It was a dog fight
6 yesterday to get schools funded in Williamson County.
7 I mean, there are only 700 and some odd bucks
8 difference. We had to pass our own tax on ourselves
9 because Springfield can't get the funding for our
10 schools. We have got to get it ourselves. We have
11 already given ourselves a tax increase. And we don't
12 really want to, but we had to if you wanted a school.

13 And if you were against it, I applaud
14 you because it was a hard decision probably to make
15 one way or the other. But we were giving ourselves
16 all these things that, you know, we are just wanting
17 basics. We are just wanting basics. And as I said,
18 the main thing to do is learn to manage your own
19 money.

20 I have some other complaints in the
21 town that people are building their houses in
22 subdivisions too close to the street. Well, we give

1 them a 20-foot setback. They have got a 252-foot
2 deep lot. And you know why they build them 20 feet
3 from the street? Because they couldn't afford the
4 extra money that it cost to run an electric line if
5 they wanted to set it back 50 to 100 feet on a nice
6 pretty lot. That was their primary reason for
7 setting it 20 feet to the street line. "It's all I
8 can afford with what Ameren charges me to run the
9 line."

10 So, folks, bottom line, walk a mile in
11 other people's shoes. You are not just going to hear
12 it here in southern Illinois. I guarantee you it is
13 going to be a long few weeks. There is going to be
14 bashing. There is going to be hard feelings. There
15 is going to have to be someone stand up on Ameren's
16 side. If we have a storm, they are going to be out
17 there fixing it. But as someone said earlier, we are
18 already paying. I have to pay. You know, if there
19 is a new pole comes up in our town, I have to pay for
20 it. You pay for that in your municipal taxes. \$8.47
21 is about the average of what you pay for a street
22 light, and that's passed on to you because it's got

1 to be paid.

2 So, folks, just emphasize to them, we
3 have to learn to manage our money. Let them learn to
4 manage on a lot less. Everyone wants to make some
5 money, but just learn to manage it. You just don't
6 need all the cream off of the top.

7 Thank you for listening.

8 HEARING OFFICER BENSKO: Thank you, Evelyn.

9 The court reporter needs to take a
10 five-minute break to reset her machine. Give me five
11 minutes and then we will be back. We will start back
12 at 9:00.

13 (Whereupon the hearing was in a
14 short recess.)

15 HEARING OFFICER BENSKO: Okay. We will get
16 started. The next two are Jim and Nancy Farris. Jim
17 and Nancy Farris. You got picked, Nancy?

18 MS. FARRIS: I have got the mouth. It is Nancy
19 Farris, F-A-R-R-I-S. First of all, I hope you are
20 proud of southern Illinois and the turnout we got. I
21 just think it is great.

22 I am here to speak to the Commerce

1 Commission directly and say to you I urge you to be
2 very cautious with how you deal with AmerenCIPS. I
3 don't say this lightly. But I have from them in
4 writing and from numerous telephone calls, they have
5 lied to me.

6 A year and two months ago I received
7 in writing in my bill a notice saying I should expect
8 a one dollar a day increase in my power bill if I
9 were an electric and gas customer. I should expect a
10 two dollar a day increase if I were all electric. We
11 are all electric.

12 When the bill came, our power bill
13 went up \$12.25 a day. So I called them up. And I
14 said, okay, you told us to expect 60 bucks a month.
15 My husband and I kind of budgeted, said, well, we
16 will plan for 75. Our bill went up 112 percent. I
17 said, "Why did you lie to us?" The response was,
18 "Well, it just can't be that high." I said, "Wait a
19 minute. Do you have the bill on your computer in
20 front of you?" And the lady on the phone said, "Yes,
21 I do." I said, "Okay, I am a school teacher. I am
22 going to walk you through this, honey. It is fourth

1 grade mathematics." And I went through it step by
2 step by step by step, and the answer I got was,
3 "Well, I just don't see how it is that high. Maybe
4 it is something wrong with your meter." I thought,
5 okay, maybe she is not the right wrong. I called the
6 next day and the next day and got someone else, and I
7 called the next day, and I finally realized I think
8 they memorized their responses because it didn't
9 matter who I asked, I got the same answers.

10 But really on a serious note, this
11 company has not been honest with me. As a person, I
12 am not speaking for anybody else, they have not been
13 honest with me, and I would be very cautious of the
14 numbers they put up. Not the numbers that they put
15 up but the numbers they don't put up. I encourage
16 you to have someone who is a good questioner who will
17 read between the lines and say why isn't there a
18 percentage here for executive salaries and bonuses.
19 Why is that left out? Why were we not presented this
20 evening with profits? What's being left out is what
21 I am concerned. And I hope you have a good
22 questioner to do that.

1 And I sincerely thank you for saving
2 me another trip to Springfield, although I would have
3 gone. All right. I am glad you are here and thank
4 you for listening.

5 HEARING OFFICER BENSKO: Thank you very much.

6 Ernestine Brasher.

7 MS. BRASHER: Good evening. Ernestine Brasher,
8 E-R-N-E-S-T-I-N-E, B as in boy R-A-S-H-E-R. I guess
9 Ameren has been bashed enough. I moved down here
10 from Aurora, Illinois, nine years ago. I had gas and
11 electric up there. I got down here and I had
12 electric. I was like "what an improvement." And I
13 was so excited about what Ameren offered with all
14 electric rates that I actually paid somebody to come
15 in and cut out my old big furnace that was converted
16 from fuel oil, haul all that out, because we were
17 going to have this special electric rate, right?

18 My highest electric bill, when we
19 think we had two or three weeks of below freezing
20 weather, went up to \$140. I ran out and got
21 insulation, changed all my light bulbs to energy
22 efficient. That was the highest electric bill I had

1 ever had.

2 Representative Bradley came and he
3 said, well, these rates are going to come up. And I
4 am like, "Okay, what are we doing about it?" "Want
5 to freeze them again." And I jumped on him in public
6 in front of newspapers and everybody. "You have had
7 ten years of a rate freeze; you haven't done a damn
8 thing about it. What are you going to do if you get
9 another three-year rate freeze?" So you can't say I
10 was against Ameren.

11 And sure enough, here comes my
12 electric bill. Now, 50 percent over didn't sound too
13 bad if you have had a ten-year rate freeze, right?
14 Although I have to admit I am lucky if I get a three
15 percent raise on anything, even Social Security or my
16 military check. I got the bill, and it is almost
17 \$400. Now, that's not 50 percent. That's not 100
18 percent. That's 300 percent. So I called them up,
19 "Oh, honey, it didn't get increased that much. What
20 you did was to lose your all electric rate." Now, to
21 me that's lying.

22 And my reason for being here tonight

1 is to say what are our government officials going to
2 do for us. Education, that was the most belittling
3 little thing I ever heard. You get educated.

4 Free market, what free market? I
5 mean, we couldn't even burn coal any more because of
6 putting too much pollution in the air, right?

7 Other options? I talked to people
8 about solar energy or any of the other options. The
9 ones that have solar power somehow have a problem and
10 they can't even explain why they can't have a reverse
11 meter so they can generate electricity and sell back
12 what they don't use to the company. Now, I am not
13 brilliant, but I do understand -- by all of this I
14 have gotten a little bit of education -- that you
15 can't store electricity so you have got to generate
16 it as you need it. So if you have got solar power
17 and you are generating electricity, you have either
18 got to shut it down or have someplace to send it.
19 Why can't they have reverse meters?

20 And what are the other options? What
21 are the other options? When are we going to get
22 them? What are our representatives going to do for

1 us? What are you, Mr. Bensko, as the Illinois
2 Commerce Commissioner, what are you going to do for
3 us? How do you represent us? Do you represent us?
4 Do you represent the people or are you representing
5 the people that sit up there in Springfield all this
6 time and have done nothing in ten years?

7 Thank you very much.

8 HEARING OFFICER BENSKO: Thank you.

9 Ronald House. John McPeek. John
10 McPeek. Sam Brown. Larry Milligan. Kendra Strome
11 or Storme. It's been a long night. Sorry. Did
12 somebody come? Was there somebody else? What's your
13 name, sir?

14 MR. MILLIGAN: Milligan.

15 HEARING OFFICER BENSKO: Well, we will let her
16 go first and then you can come up. I will call you
17 right after her. She is already up there. Go ahead.

18 MS. STORME: My name is Kendra Storme,
19 S-T-O-R-M-E, from the little town of Hurst. Thank
20 you for coming, ICC. Thank you, Representative
21 Bradley.

22 And I ask that you do not let them do

1 this. I don't understand your slide show. I don't
2 understand any of that. It didn't make any sense. I
3 know my bill has gone from 86 to 189 to 244, and I am
4 the one that some lady said I have my heat at 65,
5 period. This is my concern about Ameren besides the
6 rates. So just don't do it.

7 There is little kids, I see little
8 kids every day, they are cold. I am cold in my
9 house. Don't raise it any more. But what really
10 bothers me is when I called CIPS, your billing
11 department, about a concern and I am thinking
12 something is wrong, my meter must be broken, I need
13 help, I don't know what to do. So I called to get
14 help from AmerenCIPS, and I get a billing clerk. And
15 actually you showed her on your slide. She is
16 sitting at a little -- she's got a little laptop
17 there. You are talking about customer reliability.
18 She's got a little soda in your slide show.

19 I said, "Well, I appreciate you
20 helping me, but I think I have a huge problem. Can
21 somebody from CIPS, some expert man who knows what he
22 is doing, come out and look at my meter?" And -- or

1 come and help me. And she says, "We will have
2 somebody look at your meter." She goes -- I told
3 her, "Well, can they come soon?" Well, it would be
4 two weeks or something; I don't know what she said.
5 But the bottom line is this is what
6 she told to me, a billing clerk. She said, "Do you
7 have anything running in your house right now?" And
8 I said, "What do you mean?" And I said, "Well, yes,
9 but my heat is at 65 and I am freezing in here." And
10 she said, "Go to your circuit breaker and flip every
11 single one." And I said, "Well, no, I am not going
12 to do that because, first of all, I don't even think
13 I know where it is. But I am not going to do that
14 because I don't think that has anything to do with
15 this." Then she said, "Well, I am asking you again,
16 do you have anything running?" And I said, "Well,
17 what do you mean? She said, "Is your refrigerator
18 on?"
19 I said, "Okay, I appreciate your time.
20 You are a sweet young clerk. Now, where is my local
21 AmerenCIPS office that I can go take my bill and have
22 them explain this point 642000 rate percent, summer

1 rate, winter rate, all these rates?" And she said,
2 "You don't have any." I said, "I don't have a CIPS
3 office down here? I can't walk into somebody's
4 office?" No. That's absurd. That is absurd.
5 That's horrible. And then you all are going to now
6 raise our rates, and these poor billing clerks are
7 going to have to take the wrath of all of us.

8 It is too much money. I turn
9 everything off. I unplug everything. It is
10 terrible. Please don't let them do this. And don't
11 let them do this to these little kids that I see that
12 are freezing.

13 Thank you.

14 HEARING OFFICER BENSKO: Thank you very much.
15 Selena Hancock. Oh, I am sorry. I tell you what, I
16 think I left my brain someplace else tonight. Sorry
17 about that.

18 MR. MILLIGAN: My name is Larry Milligan,
19 L-A-R-R-Y M-I-L-L-I-G-A-N. I am a retired
20 businessman plus a coal miner, and I am like on a
21 fixed income just like a lot of people here in
22 southern Illinois are.

1 And another thing, my complaint is
2 when I went in business 25 years ago, nobody
3 invested -- I invested my business myself. The
4 utility company today, they get subsidized by the
5 government, get the money to put the power plant in
6 business, and then they can tear it down and make a
7 profit. I believe everybody should make a profit,
8 but I don't think they should be ripping people off
9 like they are today. Because there so many things
10 that are on everybody's utility bill today people
11 don't even understand. They charge you tax on tax
12 and they charge you for everything in the world.

13 Now, I don't mind anybody making a
14 fair profit, and I believe they should. But I don't
15 think that people should be stuck with their utility
16 bills like they are today. That's why businesses
17 today are not coming to southern Illinois. We don't
18 have nobody working today or very few people working.
19 Most people in southern Illinois are retired. And
20 like I say, too, you don't see very many new
21 businesses coming to southern Illinois. And they are
22 not going to come here as long as you keep jacking

1 the utility prices. They can't afford to operate the
2 business.

3 I know what they have got to say; you
4 have got to make money. But I mean, they ought to,
5 like I say, walk a mile like everybody sitting here
6 tonight and live in our shoes for a little while.

7 Another thing is I don't understand,
8 like the man said awhile ago, I got a utility bill
9 just a while ago, the damn bill is for 35 days. They
10 didn't even read my meter and they doubled my utility
11 bill.

12 They cut back on the union jobs in the
13 CIPS, hired outside contractors to try to save money,
14 make money. They have given away all the union jobs
15 they could do away with. They couldn't do away with
16 all of them. I am a union man and I believe in the
17 union. They have fought for us. And I thank John
18 Bradley for fighting for us and everybody else, too.

19 Thank you very much.

20 HEARING OFFICER BENSKO: Thank you, sir.

21 Selena.

22 MS. HANCOCK: I am a little nervous, so bear

1 with me. My name is Selena Hancock, S-E-L-E-N-A
2 H-A-N-C-O-C-K. I thought I heard a Mr. Nelson or
3 someone was representing Missouri here, is that
4 correct, from Ameren? Nelson. Is he in here now?
5 HEARING OFFICER BENSKO: Yes, he is here.
6 MS. HANCOCK: Which one?
7 HEARING OFFICER BENSKO: He is sitting over
8 there at the table.
9 MS. HANCOCK: Oh, there you are. Okay. And
10 you represent Ameren from Missouri, is that correct?
11 MR. NELSON: No, that's not correct.
12 HEARING OFFICER BENSKO: He is the vice
13 president.
14 MS. HANCOCK: Oh, the vice president.
15 HEARING OFFICER BENSKO: He is the vice
16 president of Ameren for the regulatory and --
17 MS. HANCOCK: Okay. Well, I was curious. I
18 mean, I see this CILCO, CIPS, IP. But Ameren in
19 general, now they supply utilities for the state of
20 Illinois, correct? Do they also supply utilities for
21 the state of Missouri? Yes, they do, right? Okay.
22 When we got the price or the rate hike

1 in January of '07, did Missouri also get the rate
2 hike in January of '07? Okay.

3 Then I have another question. That
4 dam that broke, just before we got charged that rate
5 hike, in Missouri, how come Missouri didn't get
6 charged for that rate hike but all of a sudden
7 Illinois did? Did you all slip something in on us or
8 something? I want to know the truth.

9 This is supposed to be a legal -- is
10 this not a legal thing right now? I don't know the
11 law, but for some reason the word "fraud" and
12 "embezzlement," something like that jumps out at me
13 as far as the citizens of the state of Illinois. And
14 we might have "southern" in front of "Illinois," but
15 that doesn't mean we are dumb country people around
16 here, sir.

17 That means that somebody is making the
18 people of the state of Illinois pay for that dam that
19 you did not check on for years. It is a known fact
20 that you did not go out there and check on that dam
21 for years, and it flooded into a campground of
22 unknowing campers that they could not reach for days.

1 Now, who -- when you all were sued,
2 what's the amount? What is the amount that you all
3 were sued for during all of that? Is that the \$247
4 million or is that the combined of what we have had
5 to pay in the past year and a half?

6 Somebody answer my question. I am
7 standing up here. I am the mother of four that lives
8 in a little town of 600 in Pittsburg, Illinois, and I
9 am pissed. Answer my question. Is that what this
10 is?

11 HEARING OFFICER BENSKO: No.

12 MS. HANCOCK: I wore boots here because I knew
13 this shit was going to get deep out of you all.

14 Answer my question. This is a legal
15 thing, isn't it? Isn't this legal?

16 HEARING OFFICER BENSKO: Ma'am, ma'am, listen.

17 MS. HANCOCK: I am as mad as they are. I am
18 just the only one showing it.

19 HEARING OFFICER BENSKO: Ma'am, listen to me.
20 The first part of this hearing is to talk about the
21 case that's before the Commission. The question and
22 answer period is going to be after we do this, so.

1 MS. HANCOCK: This is my case. This rate hike
2 is because of that dam. If somebody doesn't agree
3 with that, say something. Say something. You can't.

4 That's all I have got to say, though.
5 I tell you what, if you were my damn neighbor, I
6 would kick your ass.

7 HEARING OFFICER BENSKO: Neil Leach. Neil
8 Leach.

9 Seeing no other people, I thank you,
10 all, for coming tonight. On the record I want to
11 thank the state representative for inviting us down
12 here and making sure that we had a nice room to come
13 to and there was enough.

14 And for all you people that spoke
15 tonight, you did a wonderful job. You were talking
16 just the same as you were talking to your neighbors.

17 And the record that the court reporter
18 has recorded here tonight is an accurate record. It
19 isn't a record where Bob Bensko interpreted what you
20 said tonight. It is your exact words. Now that
21 record, after it is transcribed, which should take
22 about two weeks, then it will go into the record of

1 the file.

2 So we are going to take about two and
3 a half minutes. The court reporter -- I am going to
4 adjourn this until Monday, February 11, I think it
5 is, at 7:00 p.m. in Decatur, Illinois.

6 (Whereupon the public hearing in
7 this matter was continued until
8 February 11, 2008, at 7:00 p.m.
9 in Decatur, Illinois.)

10

11

12

13

14

15

16

17

18

19

20

21

22